UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

Edelman Financial Engines LLC and Edelman Financial Engines, L.P. v. Prime Capital Investment Advisors, LLC

Edelman Financial Engines · No. C.A. No. 25-1412 (MN) · Decided May 21, 2026

SUMMARY

This memorandum opinion addresses Plaintiffs' request for a preliminary injunction against Prime Capital Investment Advisors, LLC, arising from alleged violations of restrictive covenants and misuse of confidential client information by former Edelman financial planners. The court converts an existing temporary restraining order into a preliminary injunction and imposes additional restrictions pending trial. The opinion sets out findings concerning solicitation, confidentiality, alleged inducement, and the credibility of witnesses and declarations.

CASE DETAILS

COURT	United States District Court for the District of Delaware
WRITING FOR THE COURT	Nore
JURISDICTION	United States District Court for the District of Delaware
DECIDED	May 21, 2026
DOCKET	C.A. No. 25-1412 (MN)
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs sought a preliminary injunction against a competitor accused of inducing two financial planners to breach restrictive covenants, disclose confidential information, solicit former clients, and accept former clients. After entering a temporary restraining order, the court conducted expedited discovery and a preliminary injunction hearing, then converted the TRO into a preliminary injunction and imposed additional restrictions pending trial.
STANDARD OF REVIEW	A party seeking a preliminary injunction must make a clear showing of a likelihood of success on the merits, irreparable harm absent relief, a balance of equities in its favor, and that the public interest supports relief. The likelihood-of-success showing required a reasonable probability of success, while irreparable harm had to be shown by a preponderance of the evidence.
PRECEDENTIAL VALUE	unpublished district court opinion; persuasive rather than precedential

PARTIES	Edelman Financial Engines LLC, Edelman Financial Engines, L.P. v. Prime Capital Investment Advisors, LLC

TOPICS

restrictive covenants · noncompete agreements · injunctions · employment contracts · commercial litigation

PRACTICE AREAS

commercial litigation · employment law · contracts · injunctive relief · trade secret and confidential information protection

QUESTIONS PRESENTED

1. Whether Edelman showed a reasonable probability of success on its claim that Prime tortiously interfered with enforceable restrictive-covenant contracts.
2. Whether Edelman demonstrated irreparable harm absent preliminary injunctive relief.
3. Whether the balance of equities and the public interest favored converting the TRO into a preliminary injunction.
4. Whether the non-solicitation, confidentiality, and non-acceptance provisions were sufficiently likely to be enforceable at the preliminary-injunction stage.

HOLDINGS

1. Edelman demonstrated a reasonable probability of success on its tortious-interference claim because it showed the existence of enforceable contracts, Prime's knowledge of those contracts, intentional conduct that significantly contributed to breaches, lack of justification, and resulting injury.
2. At the preliminary-injunction stage, Edelman showed a reasonable probability that the confidentiality, customer non-solicitation, and non-acceptance provisions were valid and enforceable.
3. Edelman established irreparable harm by a preponderance of the evidence.
4. The balance of equities and the public interest favored preliminary injunctive relief.

KEY QUOTATIONS

> *"Restrictive covenants are promises."* (Introduction)

> *"The preliminary injunction hearing revealed a sophisticated, well-planned-out scheme to induce Edelman's financial planners to breach their restrictive covenants and lift-and-shift their entire client base to Prime."* (III.A.1.c)

> *"For the reasons above, Edelman's request for a preliminary injunction is GRANTED."* (IV)

FACTUAL BACKGROUND

Edelman employed financial planners Joan Greenspon and Amanda Salyer under agreements containing confidentiality, customer non-solicitation, non-acceptance, and related restrictive covenants governed by Delaware or Pennsylvania law. After coordinating with Prime, both planners resigned on February 13, 2026, joined Prime, transferred or disclosed Edelman client information, solicited or contacted former Edelman clients, and accepted former clients at Prime. The court found evidence that Prime knew of the covenants, helped plan the departures and client outreach, and paid the planners substantial upfront or goodwill payments. The planners also submitted declarations containing false or materially incomplete statements about their possession of Edelman information and their client contacts.

PROCEDURAL HISTORY

Edelman filed suit alleging that Prime induced Edelman financial planners to breach contractual restrictive covenants and join Prime. The court entered a TRO, ordered expedited discovery, and held a preliminary injunction hearing on April 23, 2026. After considering live testimony and documentary evidence, the court granted Edelman's request for a preliminary injunction and set trial for August 3, 2026.

DISPOSITION

other

CASES CITED

- Winter v. Nat. Res. Def. Council, Inc., 555 U.S. 7, 24 (2008)
- Del. State Sportsmen's Ass'n v. Del. Dep't of Safety & Homeland Sec., 108 F.4th 194, 200, 202 (3d Cir. 2024)
- Reilly v. City of Harrisburg, 858 F.3d 173, 176, 179 (3d Cir. 2017)
- Mazurek v. Armstrong, 520 U.S. 968, 972 (1997) (per curiam)
- Starbucks Corp. v. McKinney, 602 U.S. 339, 346 (2024)
- Veterans Guardian VA Claim Consulting LLC v. Platkin, 133 F.4th 213, 218 (3d Cir. 2025)
- Bhole, Inc. v. Shore Invs., Inc., 67 A.3d 444, 453 (Del. 2013)
- Aspen Advisors LLC v. United Artists Theatre Co., 861 A.2d 1251, 1266 (Del. 2004)
- Sensus USA, Inc. v. Franklin, 2016 WL 1466488, at *7-*8 (D. Del. Apr. 14, 2016)
- Synthes USA Sales, LLC v. Harrison, 2014 WL 11210394, at *7-*12 (Pa. Com. Pl. May 19, 2014)
- Hess v. Gebhard & Co., 808 A.2d 912, 917 (Pa. 2002)
- USI Ins. Servs. Nat'l, Inc. v. Frieman, 2022 WL 390662, at *11 (Pa. Super. Ct. 2022)
- Socko v. Mid-Atl. Sys. of CPA, Inc., 126 A.3d 1266, 1273 (Pa. 2015)
- Weichert Co. of Pa. v. Young, 2007 WL 4372823, at *4 (Del. Ch. Dec. 7, 2007)
- United States v. Miller, 833 F.3d 274, 280 (3d Cir. 2016)
- WellSpan Health v. Bayliss, 869 A.2d 990, 996 (Pa. Super. 2005)
- Elite Cleaning Co. v. Capel, 2006 WL 1565161, at *4 (Del. Ch. June 2, 2006)
- Great Am. Opportunities, Inc. v. Cherrydale Fundraising, LLC, 2010 WL 338219, at *13 (Del. Ch. Jan. 29, 2010)

- Cleveland Integrity Servs., LLC v. Byers, 2025 WL 658369, at *17 (Del. Ch. Feb. 28, 2025)
- Allied Orthopedic Assocs., Inc. v. Leonetti, 2018 WL 4051801, at *11 (E.D. Pa. Aug. 24, 2018)
- Healthcare Servs. Grp., Inc. v. Fay, 597 F. App'x 102, 103-04 (3d Cir. 2015)
- Horizon Pers. Commc'ns, Inc. v. Sprint Corp., 2006 WL 2337592, at *20 (Del. Ch. Aug. 4, 2006)
- CentiMark Corp. v. Lavine, 2011 WL 3209106, at *4 (W.D. Pa. July 28, 2011)
- TP Grp.-CI, Inc. v. Vetecnik, 2016 WL 5864030, at *2 (D. Del. Oct. 6, 2016)
- CKHS, Inc. v. Prospect Med. Holdings, Inc., 329 A.3d 1204, 1217 (Pa. 2025)
- AMG Nat. Tr. Bank v. Ries, 2007 WL 2713218, at *10 (E.D. Pa. Sept. 13, 2007), aff'd, 319 F. App'x 90 (3d Cir. 2008)
